

PRELIMINARY DRAFT

TEXAS LEGISLATIVE COUNCIL
Special District Local
Laws Code
Chapter 6610
9/15/14

1	CHAPTER 6610. SAN PATRICIO COUNTY DRAINAGE DISTRICT	
2	SUBCHAPTER A. GENERAL PROVISIONS	
3	Sec. 6610.001. DEFINITIONS	2
4	Sec. 6610.002. NATURE OF DISTRICT	3
5	Sec. 6610.003. FINDINGS OF BENEFIT AND PURPOSE	4
6	Sec. 6610.004. DISTRICT TERRITORY	5
7	Sec. 6610.005. LIBERAL CONSTRUCTION OF CHAPTER	6
8	SUBCHAPTER B. DISTRICT ADMINISTRATION	
9	Sec. 6610.051. COMPOSITION OF BOARD; TERMS	8
10	Sec. 6610.052. QUALIFICATIONS FOR OFFICE	10
11	Sec. 6610.053. DIRECTOR'S BOND	11
12	Sec. 6610.054. COMPENSATION OF DIRECTORS	11
13	Sec. 6610.055. BOARD VACANCY	13
14	Sec. 6610.056. BOARD MEETINGS	13
15	Sec. 6610.057. DISTRICT OFFICE	14
16	Sec. 6610.058. DISTRICT EMPLOYEES	14
17	SUBCHAPTER C. POWERS AND DUTIES	
18	Sec. 6610.101. GENERAL POWERS	16
19	Sec. 6610.102. GENERAL RECLAMATION AND DRAINAGE POWERS	17
20	Sec. 6610.103. ACQUISITION OF PROPERTY; EMINENT DOMAIN	18
21	Sec. 6610.104. CONSTRUCTION ON PUBLIC LAND	19
22	Sec. 6610.105. COST OF RELOCATING OR ALTERING PROPERTY	21
23	Sec. 6610.106. DISPOSAL OF DISTRICT PROPERTY	21
24	Sec. 6610.107. DISPOSAL OF IMPOUNDED WATER	22
25	Sec. 6610.108. CONTRACTS AND COOPERATION WITH STATE	
26	AND POLITICAL SUBDIVISIONS	22

1	Sec. 6610.109.	ARRANGEMENTS WITH UNITED STATES	23
2	SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS		
3	Sec. 6610.151.	DISBURSEMENT OF MONEY	25
4	Sec. 6610.152.	ACCOUNTS, CONTRACTS, AND OTHER RECORDS;	
5		PUBLIC INSPECTION	25
6	Sec. 6610.153.	FILING OF COPIES OF AUDIT REPORT	26
7	Sec. 6610.154.	DEPOSITORY	28
8	SUBCHAPTER E. TAXES		
9	Sec. 6610.201.	AD VALOREM TAX FOR MAINTENANCE AND	
10		OPERATION	29
11	Sec. 6610.202.	ELECTION FOR MAINTENANCE AND OPERATION	
12		TAX	31
13	Sec. 6610.203.	TAX ASSESSOR-COLLECTOR	33
14	Sec. 6610.204.	CERTIFICATION OF TAX RATE	33
15	SUBCHAPTER F. BONDS		
16	Sec. 6610.251.	AUTHORITY TO ISSUE BONDS; TAXES FOR	
17		BONDS	36
18	Sec. 6610.252.	FORM OF BONDS	37
19	Sec. 6610.253.	MATURITY	37
20	Sec. 6610.254.	ELECTION REQUIRED	38
21	Sec. 6610.255.	USE OF BOND PROCEEDS	40
22	CHAPTER 6610. SAN PATRICIO COUNTY DRAINAGE DISTRICT		
23	SUBCHAPTER A. GENERAL PROVISIONS		
24	<u>Revised Law</u>		
25	Sec. 6610.001.	DEFINITIONS. In this chapter:	
26	(1)	"Board" means the board of directors of the	
27		district.	
28	(2)	"Commissioners court" means the San Patricio	
29		County Commissioners Court.	
30	(3)	"Director" means a member of the board.	
31	(4)	"District" means the San Patricio County Drainage	
32		District. (Acts 61st Leg., R.S., Ch. 187, Sec. 1 (part); New.)	
33	<u>Source Law</u>		
34	Sec. 1.	[a . . . district] . . . to be	

1 known as "San Patricio County Drainage District" of
2 San Patricio County, Texas (hereinafter referred to as
3 the "district"),

4 Revisor's Note

5 The definitions of "board," "commissioners
6 court," and "director" are added to the revised law for
7 drafting convenience and to eliminate frequent,
8 unnecessary repetition of the substance of the
9 definitions.

10 Revised Law

11 Sec. 6610.002. NATURE OF DISTRICT. The district is a
12 conservation and reclamation district created under Section 59,
13 Article XVI, Texas Constitution, to provide drainage for the
14 district and reclamation and drainage of the district's overflowed
15 lands and other lands needing drainage. (Acts 61st Leg., R.S., Ch.
16 187, Sec. 1 (part).)

17 Source Law

18 Sec. 1. That, under and pursuant to the
19 provisions of Article XVI, Section 59, Constitution of
20 Texas, there is hereby created within the State of
21 Texas, in addition to the districts into which the
22 state has heretofore been divided, a conservation and
23 reclamation district to provide drainage for all of
24 San Patricio County and Said district is hereby
25 created for the purpose of the reclamation and
26 drainage of its overflowed lands and other lands
27 needing drainage. Said district shall be a
28 governmental agency and body politic and corporate,
29

30 Revisor's Note

31 (1) Section 1, Chapter 187, Acts of the 61st
32 Legislature, Regular Session, 1969, states that the
33 district is created "within the State of Texas, in
34 addition to the districts into which the state has
35 heretofore been divided." The revised law omits the
36 quoted language because the absence of the language
37 does not imply that the legislature could create a
38 district outside this state or that the district is not
39 in addition to other districts created in this state.

40 (2) Section 1, Chapter 187, Acts of the 61st
41 Legislature, Regular Session, 1969, states that the

1 district is created to provide drainage for "all of San
2 Patricio County." The revised law substitutes
3 "district" for the quoted language because another
4 provision of that section (revised as Section
5 6610.004) provides that the boundaries of the district
6 are coterminous with the boundaries of San Patricio
7 County.

8 (3) Section 1, Chapter 187, Acts of the 61st
9 Legislature, Regular Session, 1969, refers to the
10 district as "a governmental agency and body politic
11 and corporate." The revised law omits the quoted
12 language because it duplicates a portion of Section
13 59(b), Article XVI, Texas Constitution, which provides
14 that a conservation and reclamation district is a
15 governmental agency and a body politic and corporate.

16 Revised Law

17 Sec. 6610.003. FINDINGS OF BENEFIT AND PURPOSE. (a) All
18 property in the district and in this state will benefit from the
19 district, the improvements and facilities acquired or constructed
20 under this chapter, and all the provisions of this chapter.

21 (b) The creation of the district is essential to accomplish
22 the purposes of Section 59, Article XVI, Texas Constitution. (Acts
23 61st Leg., R.S., Ch. 187, Secs. 1 (part), 17.)

24 Source Law

25 Sec. 1. . . . the creation and establishment of
26 said district being essential to the accomplishment of
27 the purposes of Article XVI, Section 59, Constitution
28 of Texas;

29 Sec. 17. It is hereby found that all property,
30 both real and personal, within the district and within
31 the State of Texas is and will be benefited by said
32 district and by its improvements and facilities
33 acquired or constructed and to be acquired or
34 constructed under the provisions of this Act, and by
35 all of the provisions of this Act.

36 Revisor's Note

37 (1) Section 1, Chapter 187, Acts of the 61st
38 Legislature, Regular Session, 1969, states that the

1 "creation and establishment" of the district are
2 essential to accomplish the purposes of Section 59,
3 Article XVI, Texas Constitution. The revised law
4 omits "establishment" because "establishment" is
5 included in the meaning of "creation."

6 (2) Section 17, Chapter 187, Acts of the 61st
7 Legislature, Regular Session, 1969, refers to
8 "property, both real and personal." The revised law
9 omits the reference to "both real and personal"
10 because under Section 311.005(4), Government Code
11 (Code Construction Act), "property" means "real and
12 personal property."

13 Revised Law

14 Sec. 6610.004. DISTRICT TERRITORY. The district's
15 boundaries are coextensive with the boundaries of San Patricio
16 County unless the district's territory has been modified under:

- 17 (1) Subchapter J, Chapter 49, Water Code; or
18 (2) other law. (Acts 61st Leg., R.S., Ch. 187, Sec. 1
19 (part); New.)

20 Source Law

21 Sec. 1. . . . which district shall include all
22 the property and territory situated within San
23 Patricio County, Texas, the boundaries of said
24 district to be coterminous with the boundaries of said
25 county. . . .

26 Revisor's Note

27 (1) Section 1, Chapter 187, Acts of the 61st
28 Legislature, Regular Session, 1969, provides that the
29 district includes "all the property and territory
30 situated within San Patricio County, Texas," and that
31 the boundaries of the district are "coterminous with
32 the boundaries" of the county. The revised law
33 substitutes "coextensive" for "coterminous" because,
34 in context, "coterminous" and "coextensive" are
35 synonymous and "coextensive" is more commonly used.
36 The revised law also omits the statement that the

1 district includes all of the property and territory
2 situated in the county because it is redundant of the
3 statement that the boundaries of the district are
4 coextensive with the boundaries of the county.

5 (2) For the reader's convenience, the revised
6 law includes a reference to the authority to change the
7 district's territory under Subchapter J, Chapter 49,
8 Water Code, applicable to the district under Sections
9 49.001 and 49.002 of that chapter. The revised law
10 also includes a reference to the general authority of
11 the legislature to enact other laws under which the
12 district's territory may change.

13 Revised Law

14 Sec. 6610.005. LIBERAL CONSTRUCTION OF CHAPTER. This
15 chapter shall be liberally construed to effect its purposes. (Acts
16 61st Leg., R.S., Ch. 187, Sec. 16.)

17 Source Law

18 Sec. 16. This Act and all of the terms and
19 provisions hereof shall be liberally construed to
20 effectuate the purposes set forth herein.

21 Revisor's Note
22 (End of Subchapter)

23 Section 1, Chapter 187, Acts of the 61st
24 Legislature, Regular Session, 1969, provides that an
25 election must be held to confirm the creation of the
26 district, to abolish and consolidate San Patricio
27 County Conservation and Reclamation Districts Nos. 1,
28 2, and 3, and to authorize a maintenance tax for the
29 district. That section also provides procedures for
30 holding the election. Section 2, Chapter 187, Acts of
31 the 61st Legislature, Regular Session, 1969, provides
32 additional procedures for holding the election.
33 Section 3, Chapter 187, Acts of the 61st Legislature,
34 Regular Session, 1969, provides that if San Patricio
35 County Conservation and Reclamation Districts Nos. 1,

1 2, and 3 are abolished, their assets, liabilities,
2 records, and other property and facilities are
3 transferred to the district, all acquisitions of
4 property by the abolished districts are validated, and
5 title to that property is vested in the district.
6 Section 4, Chapter 187, Acts of the 61st Legislature,
7 Regular Session, 1969, provides, in part, that the
8 commissioners court must take certain actions after
9 the election is held. Because the creation of the
10 district, the abolition and consolidation of San
11 Patricio County Conservation and Reclamation
12 Districts Nos. 1, 2, and 3, and the authorization of a
13 maintenance tax were approved at an election, the
14 revised law omits the relevant provisions as executed.
15 The omitted law reads:

16 Sec. 1. . . . provided, however,
17 said district shall exercise no powers
18 unless and until its creation is confirmed
19 and San Patricio County Conservation and
20 Reclamation Districts Nos. 1, 2 and 3 are
21 abolished and consolidated into said
22 district by a majority of the duly qualified
23 resident electors of the district voting at
24 the election hereinafter provided for; and
25 provided further that said district shall
26 exercise no powers, and San Patricio County
27 Conservation and Reclamation Districts Nos.
28 1, 2 and 3 shall not be so abolished and
29 consolidated unless and until the levy of a
30 maintenance tax for said district is
31 authorized by a majority of the duly
32 qualified resident electors of the district
33 who own taxable property within said
34 district and who have duly rendered the same
35 for taxation voting at an election held for
36 such purposes. The form of ballot and other
37 matters relating to such maintenance tax
38 election shall be as provided for in Section
39 14. The election for the creation of the
40 district and abolition of said numbered
41 districts and their consolidation with said
42 district, and the election to authorize the
43 levy of a maintenance tax may be held at the
44 same time and places and by the same
45 election officials. In addition to the
46 requirements of the Texas Election Code,
47 the ballot for said confirmation, abolition
48 and consolidation election or elections
49 shall have printed thereon "For
50 Confirmation of District, Abolition of San
51 Patricio Conservation and Reclamation
52 Districts Nos. 1, 2 and 3 and their

1 Consolidation with San Patricio County
2 Drainage District," and the contrary
3 thereof.

4 Sec. 2. That as soon as practicable
5 after the effective date of this Act, the
6 Commissioners Court of San Patricio County,
7 Texas, shall order an election to be held
8 within the district on the proposition of
9 the confirmation of such district and
10 whether San Patricio County Conservation
11 and Reclamation Districts Nos. 1, 2 and 3
12 shall be abolished and consolidated into
13 said district and also on the proposition of
14 the levy of said maintenance tax. . . .

15 Sec. 3. San Patricio County
16 Conservation and Reclamation Districts Nos.
17 1, 2 and 3 have no outstanding bond
18 indebtedness, and, if a majority of the
19 qualified voters voting at said election
20 vote in favor of the confirmation of the
21 district, abolition of said three numbered
22 districts and their consolidation into the
23 district, and the authorization of a
24 maintenance tax, said numbered districts
25 shall be abolished and consolidated into
26 the district, and all of their assets,
27 liabilities, records, equipment, drainage
28 systems and ditches and canals, and other
29 properties and facilities shall thereafter
30 by operation of law be transferred to the
31 district; provided, that if any instruments
32 of transfer are required by law, the
33 governing bodies of said three numbered
34 districts are hereby directed to execute
35 the same. All acquisitions by said
36 districts of drainage systems and canals
37 and ditches, easements, rights-of-way and
38 other properties and facilities (whether
39 located on private property or public
40 property, either or both) are hereby in all
41 things validated; and upon a favorable vote
42 on the proposition hereinbefore mentioned
43 and authorization of said maintenance tax,
44 the title to same shall be vested in the
45 district.

46 Sec. 4. After such confirmation,
47 abolition and consolidation election and
48 maintenance tax election, the officials
49 conducting same shall make due returns to
50 the San Patricio County Commissioners Court
51 which shall canvass the returns thereof. If
52 a majority of the qualified electors voting
53 at the election vote in favor of such
54 confirmation, abolition and consolidation,
55 and the levy of a maintenance tax, said
56 court shall so find and declare the district
57 confirmed and the three numbered districts
58 abolished and consolidated with the
59 district and the district's authority to
60 levy said maintenance tax. . . .

61 SUBCHAPTER B. DISTRICT ADMINISTRATION

62 Revised Law

63 Sec. 6610.051. COMPOSITION OF BOARD; TERMS. (a) The board
64 consists of five directors appointed by the commissioners court as

1 follows:

2 (1) one director appointed from each county
3 commissioners precinct; and

4 (2) one director appointed from the county at large.

5 (b) Directors serve staggered two-year terms, with the
6 terms of two directors expiring on January 31 of each even-numbered
7 year and the terms of three directors expiring on January 31 of each
8 odd-numbered year.

9 (c) In January of each year, the commissioners court shall
10 appoint directors to succeed directors whose term of office will
11 expire January 31. The appointed directors' terms begin on
12 February 1 of that year. (Acts 61st Leg., R.S., Ch. 187, Sec. 4
13 (part).)

14 Source Law

15 Sec. 4. . . . Thereafter, the management and
16 control of said district is hereby and shall be vested
17 in a board of directors, which board shall be composed
18 of five persons One director shall be appointed
19 from each county commissioner's precinct and . . . one
20 director shall be appointed from the county at large.
21 Said board of directors shall be appointed by the San
22 Patricio County Commissioners Court, two to serve
23 through January 31, 1970, and three to serve through
24 January 31, 1971. Thereafter, in January of each
25 even-numbered year, beginning in 1970, the
26 commissioners court shall appoint two persons and in
27 each odd-numbered year three persons to serve as
28 directors for said district for a two year term of
29 office commencing February 1 and ending January 31.
30 . . .

31 Revisor's Note

32 (1) Section 4, Chapter 187, Acts of the 61st
33 Legislature, Regular Session, 1969, provides that "the
34 management and control of said district is hereby and
35 shall be vested" in a board of directors. The revised
36 law omits the quoted language because it duplicates,
37 in substance, parts of Sections 49.051 and 49.057,
38 Water Code. Throughout this chapter, the revised law
39 omits law that is superseded by Chapter 49, Water Code,
40 or that duplicates law contained in that chapter.
41 Chapter 49 (enacted in 1995) applies to the district

1 under Sections 49.001 and 49.002, Water Code.

2 (2) Section 4, Chapter 187, Acts of the 61st
3 Legislature, Regular Session, 1969, provides that of
4 the initial directors, two hold office for terms
5 expiring on January 31, 1970, and three for terms
6 expiring on January 31, 1971. The revised law omits as
7 executed the provision setting out the terms of the
8 initial directors, but preserves the staggering of
9 terms established by that provision.

10 Revised Law

11 Sec. 6610.052. QUALIFICATIONS FOR OFFICE. (a) A director
12 must:

13 (1) be at least 18 years of age;

14 (2) be a resident of this state; and

15 (3) own land subject to taxation in the district.

16 (b) A director appointed from a county commissioners
17 precinct must be a resident of the precinct for which the director
18 is appointed.

19 (c) A person is not eligible to serve as a director if the
20 person owes delinquent taxes to San Patricio County. (Acts 61st
21 Leg., R.S., Ch. 187, Sec. 4 (part).)

22 Source Law

23 Sec. 4. . . . [which board shall be composed of
24 five persons] each of whom must be at least 21 years of
25 age, a resident citizen of the State of Texas and the
26 owner of land subject to taxation within said
27 district. [One director shall be appointed from each
28 county commissioner's precinct and] shall be a
29 resident of the precinct for which he is appointed, and
30 No person who owes delinquent taxes to San
31 Patricio County, Texas, shall be eligible to serve as
32 director of the district.

33 Revisor's Note

34 (1) Section 4, Chapter 187, Acts of the 61st
35 Legislature, Regular Session, 1969, states that a
36 person must be "at least 21 years of age" to serve as a
37 director. The revised law substitutes "at least 18
38 years of age" for the quoted language because Section

1 129.001, Civil Practice and Remedies Code, establishes
2 18 years of age as the age of majority in this state.
3 Section 129.002, Civil Practice and Remedies Code,
4 provides that a law adopted before August 27, 1973,
5 that extends a right, privilege, or obligation to an
6 individual on the basis of a minimum age of 19, 20, or
7 21 years shall be interpreted as prescribing a minimum
8 age of 18 years. Section 4 was enacted in 1969 and has
9 not been amended.

10 (2) Section 4, Chapter 187, Acts of the 61st
11 Legislature, Regular Session, 1969, refers to a
12 "resident citizen" of the state. The revised law omits
13 "citizen" because, in the context of this section,
14 "resident citizen" and "resident" are synonymous and
15 "resident" is more commonly used.

16 Revised Law

17 Sec. 6610.053. DIRECTOR'S BOND. (a) Each director shall
18 furnish a bond for \$5,000 payable to the district and conditioned on
19 faithful performance of the director's duties.

20 (b) The bonds must be submitted to the commissioners court
21 for approval. (Acts 61st Leg., R.S., Ch. 187, Sec. 4 (part).)

22 Source Law

23 Sec. 4. . . . Each director shall . . . furnish
24 a bond for \$5,000 payable to the district and
25 conditioned upon the faithful performance of his
26 duties. Such bonds shall be submitted to the
27 commissioners court for approval. . . .

28 Revised Law

29 Sec. 6610.054. COMPENSATION OF DIRECTORS. (a) Each
30 director shall receive compensation as set by the commissioners
31 court in an amount not to exceed the sum of \$2,400 in any one
32 calendar year.

33 (b) In all areas of conflict with Subsection (a) of this
34 section, Section 49.060, Water Code, takes precedence.

35 (c) A director's compensation may be increased as
36 authorized by Section 49.060, Water Code, by resolution adopted by

1 the board in accordance with Subsection (e) of that section on or
2 after September 1, 1995. (Acts 61st Leg., R.S., Ch. 187, Sec. 8
3 (part); New.)

4 Source Law

5 Sec. 8. Each director shall receive such
6 compensation as may be fixed by the San Patricio County
7 Commissioners Court, but in no case shall such
8 compensation in any one calendar year exceed the sum of
9 \$2,400, and

10 Revisor's Note

11 (1) Section 8, Chapter 187, Acts of the 61st
12 Legislature, Regular Session, 1969, provides that
13 "[e]ach director shall receive such compensation as
14 may be fixed by the San Patricio County Commissioners
15 Court, but in no case shall such compensation in any
16 one calendar year exceed the sum of \$2,400." Section
17 49.060, Water Code, enacted in 1995 and applicable by
18 its own terms to the district, also provides for a
19 director's fees of office, computed on a rate per day
20 of certain service, and, under Subsection (a-1) of
21 that section, enacted in 2003, requires the board of
22 each district to adopt a resolution limiting a
23 director's total annual fees of office. Section
24 49.060(e) provides that, in all areas of conflict,
25 Section 49.060 takes precedence over all prior
26 statutory enactments and that, if the enactment of
27 that section would result in a fee increase, the
28 increase does not apply to a district unless the board
29 by resolution authorizes payment of the higher fees.
30 It is unclear to what extent the quoted language may be
31 in conflict with Section 49.060. To preserve the
32 ambiguity, the revised law includes the substance of
33 the quoted language and adds provisions necessary to
34 preserve the effect of Section 49.060 to the extent of
35 a conflict with that language.

36 (2) Section 8, Chapter 187, Acts of the 61st

1 Legislature, Regular Session, 1969, provides for
2 reimbursement of a director's actual traveling
3 expenses incurred in performing district business.
4 The revised law omits that provision because it is
5 expressly superseded by Section 49.060, Water Code.
6 The omitted law reads:

7 Sec. 8. . . . each director shall be
8 reimbursed for actual traveling expenses
9 incurred in performing district business.
10 . . .

11 Revised Law

12 Sec. 6610.055. BOARD VACANCY. If a vacancy occurs in the
13 office of director, the commissioners court shall appoint a
14 director for the unexpired term. (Acts 61st Leg., R.S., Ch. 187,
15 Sec. 4 (part).)

16 Source Law

17 Sec. 4. . . . Vacancies in the office of
18 director shall be filled by appointment by the San
19 Patricio County Commissioners Court for the unexpired
20 term. . . .

21 Revised Law

22 Sec. 6610.056. BOARD MEETINGS. (a) The board shall hold
23 regular meetings at least once each calendar month at times
24 prescribed by order adopted by the board.

25 (b) The board shall hold special meetings when called by the
26 board president or by any two other directors. The board secretary
27 shall give written notice of a special meeting to each director. A
28 director may waive the notice. (Acts 61st Leg., R.S., Ch. 187, Sec.
29 5 (part).)

30 Source Law

31 Sec. 5. . . . Regular meetings shall be held at
32 such times as may be prescribed by order adopted by the
33 board of directors; provided, that there shall be at
34 least one regular meeting during each calendar month.
35 Special meetings shall be held at any time as called by
36 the president or any two other members of the board of
37 directors, in which event the secretary shall give
38 written notice of any such special meeting to each
39 member of the board of directors; provided, however,
40 that any member may waive such notice. . . .

1 Revised Law

2 Sec. 6610.057. DISTRICT OFFICE. The board shall designate
3 the location of the district's principal office at any place within
4 the district. (Acts 61st Leg., R.S., Ch. 187, Sec. 6 (part).)

5 Source Law

6 Sec. 6. The board of directors shall designate
7 the location of the principal office of the district
8 which may be at any place within the district, and the
9 board may from time to time change such location. . . .

10 Revisor's Note

11 Section 6, Chapter 187, Acts of the 61st
12 Legislature, Regular Session, 1969, provides that the
13 board shall designate the location of a principal
14 office and that "the board may from time to time change
15 such location." The revised law omits the quoted
16 language because the power to designate the location
17 of the district's office implies the power to change
18 that designation at a later date.

19 Revised Law

20 Sec. 6610.058. DISTRICT EMPLOYEES. (a) The board shall set
21 the compensation of the general manager, attorneys, engineers, and
22 all other employees of the district.

23 (b) The board shall set the term and time of employment of
24 all employees of the district and the method by which an employee
25 may be discharged. (Acts 61st Leg., R.S., Ch. 187, Sec. 8 (part).)

26 Source Law

27 Sec. 8. . . . The board of directors shall fix
28 the compensation of the general manager, attorneys,
29 engineers and all other employees and laborers and
30 shall fix the term and time of employment of all
31 employees of the district and the method by which they
32 may be discharged.

33 Revisor's Note

34 Section 8, Chapter 187, Acts of the 61st
35 Legislature, Regular Session, 1969, refers to
36 "employees and laborers" of the district. The revised
37 law omits "laborers" because, in context, the term is
38 included in the meaning of "employees."

Revisor's Note
(End of Subchapter)

(1) Section 4, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides that a director serves until a successor is appointed and qualified. The revised law omits that provision because Section 17, Article XVI, Texas Constitution, requires an officer in this state to continue to perform the officer's duties until a successor has qualified. The omitted law reads:

Sec. 4. . . . All directors shall serve until their successors are appointed and qualified. . . .

(2) Section 4, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, requires each director to subscribe to the constitutional oath of office. The revised law omits that provision because Section 1, Article XVI, Texas Constitution, requires all elected and appointed officers to take the oath (or affirmation) before assuming office. The omitted law reads:

Sec. 4. . . . [Each director shall]
take the constitutional oath of office and
. . . .

(3) Section 5, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides for the election of a board president, vice president, and secretary. The revised law omits that provision because it duplicates, in substance, parts of Section 49.054(a), Water Code. The omitted law reads:

Sec. 5. The board of directors shall organize by electing a president, a vice president, and a secretary. . . .

(4) Section 5, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides that three directors constitute a quorum. The revised law omits that provision because it duplicates, in

1 substance, Section 311.013, Government Code (Code
2 Construction Act), which provides that a quorum of a
3 public body is a majority of the number of members
4 fixed by statute. The omitted law reads:

5 Sec. 5. . . . Any three directors
6 shall constitute a quorum in any meeting of
7 the board of directors. . . .

8 (5) Section 5, Chapter 187, Acts of the 61st
9 Legislature, Regular Session, 1969, provides that the
10 board of directors shall employ the persons necessary
11 for the proper operation of the district and lists
12 certain specific employees the board may employ. The
13 revised law omits the provision because it duplicates,
14 in substance, parts of Sections 49.056 and 49.057,
15 Water Code. The omitted law reads:

16 Sec. 5. . . . The board of directors
17 shall employ all necessary employees for
18 the proper handling and operation of the
19 business and affairs of the district.
20 Without limiting the generality of the
21 foregoing, it is expressly provided that
22 the board may employ a general manager,
23 attorneys, engineers, bookkeepers,
24 stenographers, clerical employees,
25 laborers and such other employees as may be
26 required in the judgment of said board.

27 (6) Section 6, Chapter 187, Acts of the 61st
28 Legislature, Regular Session, 1969, requires the board
29 to adopt a seal for the district. The revised law
30 omits that provision because it duplicates Section
31 49.061, Water Code. The omitted law reads:

32 Sec. 6. . . . Said board shall also
33 adopt a district seal.

34 SUBCHAPTER C. POWERS AND DUTIES

35 Revised Law

36 Sec. 6610.101. GENERAL POWERS. (a) The district has the
37 powers of government and may exercise the rights, privileges, and
38 functions provided under this chapter.

39 (b) The district may perform any act necessary or proper to
40 carry out a district purpose. (Acts 61st Leg., R.S., Ch. 187, Secs.

1 1 (part), 10 (part).)

2 Source Law

3 Sec. 1. . . . [Said district shall be a
4 governmental agency] . . . with the powers of
5 government and with the authority to exercise the
6 rights, privileges and functions hereinafter
7 specified and prescribed,

8 Sec. 10. In addition to the general powers
9 granted by this Act, said district shall be authorized
10 to exercise the following powers, privileges and
11 functions:

12 . . .
13 (j) To do any and all other acts or things
14 necessary or proper to carry into effect the purposes
15 for which the district is created.

16 Revisor's Note

17 Section 10, Chapter 187, Acts of the 61st
18 Legislature, Regular Session, 1969, gives the district
19 certain powers that are "[i]n addition to the general
20 powers granted by this Act." The revised law omits the
21 quoted language because the powers to which it refers
22 are expressly set forth in other sections of this
23 chapter and a general reference to them is
24 unnecessary.

25 Revised Law

26 Sec. 6610.102. GENERAL RECLAMATION AND DRAINAGE POWERS.
27 The district may:

28 (1) devise plans and construct works to lessen and
29 control floods and excess water;

30 (2) reclaim land in the district;

31 (3) provide drainage facilities and improvements for
32 the reclamation and drainage of the overflowed land and other land
33 in the district that needs drainage;

34 (4) acquire and construct properties, facilities, and
35 improvements inside or outside the district that in the judgment of
36 the board are necessary to lessen and control floods in the district
37 or to facilitate drainage and reclamation of land in the district;

38 (5) remove natural or artificial obstructions from
39 streams and watercourses; and

1 (6) clean, straighten, widen, and maintain streams,
2 watercourses, and drainage ditches. (Acts 61st Leg., R.S., Ch.
3 187, Sec. 10 (part).)

4 Source Law

5 Sec. 10. . . . said district shall be
6 authorized. . . .

7 (c) To devise plans and construct works to
8 lessen and control floods and excess waters; to
9 reclaim lands in the district; to provide drainage
10 facilities and improvements for the reclamation and
11 drainage of the overflowed lands in the district and
12 other lands in the district needing drainage; to
13 acquire and construct properties and facilities and
14 improvements in and beyond the boundaries of the
15 district where, in the judgment of the board of
16 directors, such properties, facilities or
17 improvements are necessary to lessen and control
18 floods within the district or to facilitate the
19 drainage and reclamation of lands within the district;
20 and to remove obstructions, natural or artificial,
21 from streams and watercourses, and to clean,
22 straighten, widen and maintain streams, watercourses
23 and drainage ditches. . . .

24 Revised Law

25 Sec. 6610.103. ACQUISITION OF PROPERTY; EMINENT DOMAIN.

26 (a) The district, by gift, devise, purchase, lease, or
27 condemnation, may acquire an easement, right-of-way, or other
28 property needed to carry on the work of the district.

29 (b) The district may exercise the power of eminent domain.
30 Procedures with reference to condemnation, the assessment and
31 estimation of damages, payment, appeal, and entrance on property
32 pending appeal, and all other procedures prescribed by Chapter 21,
33 Property Code, apply to the district. (Acts 61st Leg., R.S., Ch.
34 187, Sec. 10 (part).)

35 Source Law

36 Sec. 10. . . . said district shall be
37 authorized. . . .

38 (a) To acquire easements, rights-of-way and any
39 other property needed to carry on the work of the
40 District, by way of gift, devise, purchase, leasehold
41 or condemnation. The right of eminent domain is hereby
42 expressly conferred on said district, and the
43 procedure with reference to condemnation, the
44 assessment and estimating of damages, payment, appeal,
45 the entering upon the property pending appeal, and all
46 other procedures prescribed in Title 52 of the Revised
47 Civil Statutes of Texas, 1925, as heretofore or as may
48 hereafter be amended, shall apply to said district.
49 . . .

1 Revisor's Note

2 (1) Section 10(a), Chapter 187, Acts of the 61st
3 Legislature, Regular Session, 1969, provides that
4 "[t]he right of eminent domain is hereby expressly
5 conferred on said district." The revised law
6 substitutes for the quoted language a statement that
7 the district "may exercise the power of eminent
8 domain" because the provisions have the same meaning
9 and the reference to the exercise of the power of
10 eminent domain is consistent with modern usage in laws
11 relating to eminent domain.

12 (2) Section 10(a), Chapter 187, Acts of the 61st
13 Legislature, Regular Session, 1969, provides that
14 certain procedures prescribed in "Title 52 of the
15 Revised Civil Statutes of Texas, 1925, as heretofore
16 or as may hereafter be amended," apply to the district.
17 That statute was codified in 1983 as Chapter 21,
18 Property Code. The revised law is drafted
19 accordingly. The revised law omits the reference to
20 "as heretofore or as may hereafter be amended" because
21 under Section 311.027, Government Code (Code
22 Construction Act), a reference to a statute applies to
23 all reenactments, revisions, or amendments of that
24 statute unless expressly provided otherwise.

25 Revised Law

26 Sec. 6610.104. CONSTRUCTION ON PUBLIC LAND. (a) The
27 district may construct, acquire, own, and operate works, ditches,
28 canals, or other improvements over, across, through, under, or
29 along:

30 (1) a public stream, canal, road, or highway; or

31 (2) land belonging to this state.

32 (b) A plan for an improvement under Subsection (a) on a
33 state highway is subject to the approval of the Texas Department of
34 Transportation.

1 (c) A plan for an improvement under Subsection (a) on Texas
2 Department of Criminal Justice land is subject to the approval of
3 the Texas Board of Criminal Justice.

4 (d) A plan for an improvement of a public water supply canal
5 or public stream under Subsection (a) is subject to the approval of
6 the state or federal agency that has jurisdiction over or that owns
7 the public water supply canal or stream. (Acts 61st Leg., R.S., Ch.
8 187, Sec. 10 (part).)

9 Source Law

10 Sec. 10. . . . said district shall be
11 authorized. . . .

12 (h) To construct, acquire, own and operate
13 works, ditches, canals, and other improvements over,
14 across, through, under and along any public stream,
15 canals, roads, highways or any lands belonging to the
16 State of Texas; provided that the plans for such
17 improvements on state highways shall be subject to the
18 approval of the State Highway Department and on Prison
19 System lands shall be subject to the approval of the
20 Texas Department of Corrections; and provided further
21 that the plans for such improvements on public water
22 supply canals or public streams shall be subject to the
23 approval of the agency or agencies of the state or
24 federal government having jurisdiction over or
25 ownership thereof. . . .

26 Revisor's Note

27 (1) Section 10(h), Chapter 187, Acts of the 61st
28 Legislature, Regular Session, 1969, refers to the
29 "State Highway Department." The revised law
30 substitutes "Texas Department of Transportation" for
31 "State Highway Department" to reflect the current name
32 of the agency with the relevant regulatory authority.

33 (2) Section 10(h), Chapter 187, Acts of the 61st
34 Legislature, Regular Session, 1969, refers to "Prison
35 System lands" and to the "Texas Department of
36 Corrections." The revised law substitutes "Texas
37 Department of Criminal Justice" for "Prison System"
38 and "Texas Board of Criminal Justice" for "Texas
39 Department of Corrections" because, under current law,
40 the Texas Department of Criminal Justice is the state
41 agency with primary responsibility for the development

1 of a state prison system, and the Texas Board of
2 Criminal Justice is the governing body of the
3 department.

4 Revised Law

5 Sec. 6610.105. COST OF RELOCATING OR ALTERING PROPERTY.

6 (a) In this section, "sole expense" means the actual cost of
7 relocating, raising, lowering, rerouting, changing the grade of, or
8 altering the construction of a facility described by Subsection (b)
9 in providing comparable replacement without enhancement of the
10 facility, after deducting from that cost the net salvage value of
11 the old facility.

12 (b) If the district's exercise of the power of eminent
13 domain, the power of relocation, or any other power makes necessary
14 the relocating, raising, lowering, rerouting, changing the grade
15 of, or altering the construction of a railroad, the necessary
16 action shall be accomplished at the sole expense of the district.
17 (Acts 61st Leg., R.S., Ch. 187, Sec. 10 (part).)

18 Source Law

19 Sec. 10. . . .

20 (a) . . . In the event that the district, in the
21 exercise of the power of eminent domain or power of
22 relocation, or any other power, makes necessary the
23 relocation, raising, lowering, rerouting or changing
24 the grade of, or altering the construction of any
25 railroad, all such necessary relocation, raising,
26 lowering, rerouting, or changing the grade or
27 alteration of construction shall be accomplished at
28 the sole expense of the district. The term "sole
29 expense" shall mean the actual cost of such
30 relocation, raising, lowering, rerouting, or change in
31 grade or alteration of construction in providing
32 comparable replacement without enhancement of such
33 facilities, after deducting therefrom the net salvage
34 value derived from the old facility. . . .

35 Revised Law

36 Sec. 6610.106. DISPOSAL OF DISTRICT PROPERTY. (a) The
37 district may sell, trade, or otherwise dispose of property or a
38 property right that is no longer needed for a district purpose.

39 (b) District land that adjoins privately owned land shall
40 revert to the adjoining landowner when no longer needed for a
41 district purpose. (Acts 61st Leg., R.S., Ch. 187, Sec. 10 (part).)

1 Source Law

2 Sec. 10. . . . said district shall be
3 authorized . . .

4 (b) To sell, trade or otherwise dispose of land
5 or other property or rights therein when the same are
6 no longer needed for the purpose for which the district
7 was created, provided, however, that any land of the
8 district which adjoins privately owned land shall
9 revert to the adjoining landowner or owners when no
10 longer needed for the purpose for which the district
11 was created. . . .

12 Revisor's Note

13 Section 10(b), Chapter 187, Acts of the 61st
14 Legislature, Regular Session, 1969, refers to "land or
15 other property." The revised law substitutes
16 "property" for the quoted language for the reason
17 stated in Revisor's Note (2) to Section 6610.003.

18 Revised Law

19 Sec. 6610.107. DISPOSAL OF IMPOUNDED WATER. The district
20 may sell or otherwise dispose of any water impounded by a district
21 improvement under conditions, contracts, and terms determined by
22 the board, subject to the approval of any other political
23 subdivision that has been granted rights to the water before May 13,
24 1969. (Acts 61st Leg., R.S., Ch. 187, Sec. 10 (part).)

25 Source Law

26 Sec. 10. . . . said district shall be
27 authorized . . .

28 (d) To sell or otherwise dispose of any waters
29 impounded by improvements of the district under such
30 conditions, contracts and terms as may be determined
31 by the board of directors, subject to approval of any
32 other political subdivision heretofore having been
33 granted rights in or to such waters, if any. . . .

34 Revisor's Note

35 Section 10(d), Chapter 187, Acts of the 61st
36 Legislature, Regular Session, 1969, refers to water
37 rights "heretofore" granted to a political subdivision
38 other than the district. The revised law refers to
39 rights granted "before May 13, 1969" because that was
40 the effective date of Chapter 187.

41 Revised Law

42 Sec. 6610.108. CONTRACTS AND COOPERATION WITH STATE AND

1 POLITICAL SUBDIVISIONS. The district may cooperate and contract
2 with an agency or political subdivision of this state to carry out a
3 district purpose. (Acts 61st Leg., R.S., Ch. 187, Sec. 10 (part).)

4 Source Law

5 Sec. 10. . . . said district shall be
6 authorized. . . .

7 (e) To cooperate and contract with any
8 department or agency of the State of Texas, or any
9 political subdivision thereof or any municipal
10 corporation in such state, to carry out any purpose for
11 which the district is organized. . . .

12 Revisor's Note

13 (1) Section 10(e), Chapter 187, Acts of the 61st
14 Legislature, Regular Session, 1969, refers to a
15 "department or agency" of this state. The revised law
16 omits "department" because, in context, the meaning of
17 "department" is included in the meaning of "agency."

18 (2) Section 10(e), Chapter 187, Acts of the 61st
19 Legislature, Regular Session, 1969, refers to "any
20 political subdivision [of this state] or any municipal
21 corporation in such state." The revised law omits
22 "municipal corporation" because "municipal
23 corporation" is included in the meaning of "political
24 subdivision."

25 Revised Law

26 Sec. 6610.109. ARRANGEMENTS WITH UNITED STATES. (a) The
27 district may cooperate with, contract with, or receive a grant,
28 loan, or advancement from the United States to carry out a district
29 power or to further a district purpose.

30 (b) The district may contribute to the United States in
31 connection with any project that is undertaken by the United States
32 and affects or relates to a district purpose. (Acts 61st Leg.,
33 R.S., Ch. 187, Sec. 10 (part).)

34 Source Law

35 Sec. 10. . . . said district shall be
36 authorized. . . .

37 (f) To cooperate with and contract with the
38 United States of America or with any of its departments
39 or agencies now existing, or which may be created

1 hereafter, to carry out any of the powers or to further
2 any of the purposes set forth in this Act, and, for
3 such purposes, to receive grants, loans or
4 advancements therefrom; or to contribute to the United
5 States of America or any of its departments or agencies
6 in connection with any project undertaken by it
7 affecting or relating to any of the purposes for which
8 the district is organized. . . .

9 Revisor's Note

10 Section 10(f), Chapter 187, Acts of the 61st
11 Legislature, Regular Session, 1969, refers to the
12 United States of America or "any of its departments or
13 agencies now existing, or which may be created
14 hereafter." The revised law omits the quoted language
15 because under Section 311.005(9), Government Code
16 (Code Construction Act), "United States" includes a
17 department, bureau, or other agency of the United
18 States of America.

19 Revisor's Note
20 (End of Subchapter)

21 (1) Section 10(g), Chapter 187, Acts of the 61st
22 Legislature, Regular Session, 1969, provides that the
23 district may sue and be sued in the name of the
24 district and requires courts to take judicial notice
25 of the establishment and existence of the district.
26 The revised law omits that provision because it
27 duplicates, in substance, part of Section 49.066,
28 Water Code. The omitted law reads:

29 Sec. 10. . . . [said district shall
30 be authorized] . . .

31 (g) To sue and be sued in the name of
32 the district, and all courts shall take
33 judicial notice of the establishment and
34 existence of the district. . . .

35 (2) Section 10(i), Chapter 187, Acts of the 61st
36 Legislature, Regular Session, 1969, provides that the
37 district may maintain and operate the district's
38 facilities. The revised law omits that provision
39 because it duplicates, in substance, part of Section
40 49.211(b), Water Code. The omitted law reads:

41 Sec. 10. . . . [said district shall

1 be authorized] . . .
2 (i) To maintain and operate all
3 facilities of the district. . . .

4 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

5 Revised Law

6 Sec. 6610.151. DISBURSEMENT OF MONEY. The district may
7 disburse its money only by a check, draft, order, or other written
8 instrument signed by a person authorized to sign the instrument by
9 board order or resolution. (Acts 61st Leg., R.S., Ch. 187, Sec. 7
10 (part).)

11 Source Law

12 Sec. 7. . . . The moneys of the district shall
13 be disbursed only upon checks, drafts, orders or other
14 written instruments signed by such persons as shall be
15 authorized to sign the same by order or resolution
16 adopted by said board.

17 Revised Law

18 Sec. 6610.152. ACCOUNTS, CONTRACTS, AND OTHER RECORDS;
19 PUBLIC INSPECTION. (a) The board shall keep complete and accurate
20 accounts conforming to approved methods of bookkeeping.

21 (b) The accounts and all contracts, documents, and records
22 of the district shall be maintained at a place or places in the
23 district designated by the board.

24 (c) All contracts, documents, and records of the district
25 shall be open for public inspection at all reasonable times. (Acts
26 61st Leg., R.S., Ch. 187, Sec. 7 (part).)

27 Source Law

28 Sec. 7. The board of directors shall cause to be
29 kept and maintained complete and accurate accounts
30 conforming to approved methods of bookkeeping. Said
31 accounts and all contracts, documents and records of
32 the district shall be maintained at such place or
33 places in the district as may be designated by the
34 board of directors and shall be open for public
35 inspection at all reasonable times. . . .

36 Revisor's Note

37 Section 7, Chapter 187, Acts of the 61st
38 Legislature, Regular Session, 1969, provides that
39 "accounts and all contracts, documents and records of
40 the district . . . shall be open for public inspection
41 at all reasonable times." The revised law omits that

1 provision insofar as it pertains to accounts as
2 superseded by Sections 49.191(b) and 49.196(b), Water
3 Code (enacted by Section 2, Chapter 715, Acts of the
4 74th Legislature, Regular Session, 1995), which
5 provide that a district's fiscal records shall be
6 available for public inspection during regular
7 business hours.

8 Revised Law

9 Sec. 6610.153. FILING OF COPIES OF AUDIT REPORT. Copies of
10 the audit report prepared under Subchapter G, Chapter 49, Water
11 Code, shall be certified to by the accountant who performed the
12 audit and filed:

- 13 (1) as required by Section 49.194, Water Code; and
14 (2) with the state auditor. (Acts 61st Leg., R.S., Ch.
15 187, Sec. 7 (part); New.)

16 Source Law

17 Sec. 7. . . . Copies of the written report of
18 such audit, certified to by said accountant or
19 accountants, shall be sent to and kept on file with the
20 State Auditor of the State of Texas and at said
21 principal office and

22 Revisor's Note

23 (1) Section 7, Chapter 187, Acts of the 61st
24 Legislature, Regular Session, 1969, refers to various
25 audit procedures, including requirements regarding
26 filing of copies of the audit report. The revised law
27 omits certain of those procedures for the following
28 reasons. Chapter 49, Water Code, which was enacted by
29 Chapter 715, Acts of the 74th Legislature, Regular
30 Session, 1995, applies to the district by application
31 of Sections 49.001 and 49.002 of that chapter. As
32 further detailed in the revisor's notes that follow,
33 procedures that are superseded by Subchapter G,
34 Chapter 49, Water Code, have been omitted as
35 superseded by Section 49.191(b), Water Code, and the
36 specific provisions in Subchapter G that conflict with

1 Chapter 187. Section 49.191(b) provides that in all
2 areas of conflict, that subchapter takes precedence
3 over all prior statutory enactments.

4 For context and the convenience of the reader,
5 the revised law adds a reference to the audit report
6 prepared under Subchapter G, Chapter 49, Water Code,
7 and to Section 49.194 of that code, which governs the
8 filing of the report.

9 The revised law omits the requirement that a copy
10 of the audit report be filed at the principal office of
11 the district because it duplicates or is superseded by
12 Section 49.194(c), Water Code.

13 (2) Section 7, Chapter 187, Acts of the 61st
14 Legislature, Regular Session, 1969, provides that the
15 board shall cause a financial audit to be completed
16 within 90 days after the end of each calendar year.
17 The revised law omits that provision as superseded by
18 Sections 49.191(a), (b), and (d), Water Code, which
19 require an annual audit to be completed within 120 days
20 after the close of the district's fiscal year. The
21 omitted law reads:

22 Sec. 7. . . . The board shall cause
23 to be made and completed within 90 days
24 after the end of each calendar year an audit
25 of the books and accounts and financial
26 records of the district for such calendar
27 year,

28 (3) Section 7, Chapter 187, Acts of the 61st
29 Legislature, Regular Session, 1969, provides that the
30 audit shall be prepared by an independent certified
31 public accountant or firm of independent certified
32 public accountants. The revised law omits that
33 provision as superseded by Sections 49.191(b) and (c),
34 Water Code, which provide that the person who performs
35 the audit shall be a certified public accountant or
36 public accountant holding a permit from the Texas

1 State Board of Public Accountancy. The omitted law
2 reads:

3 Sec. 7. . . . such audit to be made
4 by an independent certified public
5 accountant or a firm of independent
6 certified public accountants. . . .

7 (4) Section 7, Chapter 187, Acts of the 61st
8 Legislature, Regular Session, 1969, provides that the
9 filed copies of the audit report shall be open to
10 public inspection at all reasonable times. Because
11 the audit report is a fiscal record for purposes of
12 Section 49.196(b), Water Code, the revised law omits
13 that provision for the reason stated in the revisor's
14 note to Section 6610.152. The omitted law reads:

15 Sec. 7. . . . [Copies of the written
16 report of such audit] . . . shall be open to
17 public inspection at all reasonable times.
18 . . .

19 Revised Law

20 Sec. 6610.154. DEPOSITORY. (a) The board shall designate
21 one or more banks in the district to serve as a depository for
22 district money.

23 (b) All district money shall be deposited in a depository
24 bank, except that sufficient money shall be remitted to the
25 appropriate bank of payment to pay the principal of and interest on
26 the district's outstanding bonds on or before the maturity date of
27 the principal and interest.

28 (c) To the extent that money in a depository bank is not
29 insured by the Federal Deposit Insurance Corporation, the money
30 must be secured in the manner provided by law for the security of
31 county funds.

32 (d) If the board designates a depository bank as the
33 treasurer of the district, the bank shall serve as the treasurer.
34 (Acts 61st Leg., R.S., Ch. 187, Sec. 9.)

35 Source Law

36 Sec. 9. The board of directors shall designate
37 one or more banks within the district to serve as the
38 depository for the funds of the district. All funds of

1 the district shall be deposited in such depository
2 bank or banks except sufficient funds shall be
3 remitted to the bank or banks of payment for payment of
4 principal of and interest on any outstanding bonds of
5 the district and in time that such may be received by
6 said bank or banks on or prior to the date of maturity
7 of such principal and/or interest so to be paid. To the
8 extent that funds in the depository bank or banks are
9 not insured by the Federal Deposit Insurance
10 Corporation, they shall be secured in the manner
11 provided by law for the security of county funds. Such
12 depository shall, if so designated by said board,
13 serve as the treasurer of said district.

14 Revisor's Note

15 Section 9, Chapter 187, Acts of the 61st
16 Legislature, Regular Session, 1969, refers to the
17 district's "funds." The revised law substitutes
18 "money" for "funds" because, in the context of
19 district funds, the meaning is the same and "money" is
20 the more commonly used term.

21 SUBCHAPTER E. TAXES

22 Revised Law

23 Sec. 6610.201. AD VALOREM TAX FOR MAINTENANCE AND
24 OPERATION. (a) The board may impose an annual ad valorem tax at a
25 rate not to exceed 35 cents on each \$100 valuation of taxable
26 property in the district for the maintenance, operation, upkeep,
27 and improvement of the district and the district's facilities,
28 properties, and improvements.

29 (b) The board may hold elections to increase, reduce, or
30 abate a tax imposed under this section, subject to the limitation
31 prescribed by Subsection (a).

32 (c) An election to authorize the imposition of the tax or a
33 subsequent tax election must be held as provided by Section
34 6610.202. (Acts 61st Leg., R.S., Ch. 187, Sec. 14 (part).)

35 Source Law

36 Sec. 14. In addition to taxes for bond purposes,
37 the board of directors may levy and cause to be
38 assessed and collected for the maintenance, operation,
39 upkeep and improvements of the district and its
40 facilities, properties and improvements, an annual ad
41 valorem tax at a rate not to exceed 35 cents on the \$100
42 valuation on all taxable property within the district;
43 [provided, that the proposition of levying such tax
44 shall be first submitted to the . . . voters . . . of
45 said district . . . at an election called and held for

1 such purpose,] Subsequent elections may be
2 ordered and held for the purpose of increasing (but not
3 in excess of 35 cents on the \$100 valuation of taxable
4 property in said district) reducing or abating such
5 tax. . . . the manner of holding same shall be as
6 provided in Section 2 hereof. . . .

7 Revisor's Note

8 (1) Section 14, Chapter 187, Acts of the 61st
9 Legislature, Regular Session, 1969, provides that
10 "[i]n addition to taxes for bond purposes," the board
11 may impose a tax for maintenance and operations.
12 Section 11, Chapter 187 (revised as Section 6610.251)
13 authorizes the district to impose taxes to pay for
14 bonds. Therefore, the revised law omits the quoted
15 language because an accepted general principle of
16 statutory construction requires that a statute be
17 given cumulative effect with other statutes unless the
18 statute provides otherwise or unless the statute
19 conflicts with another statute. That general
20 principle applies to the revised law.

21 (2) Section 14, Chapter 187, Acts of the 61st
22 Legislature, Regular Session, 1969, authorizes the
23 board to "levy and cause to be assessed and collected"
24 a tax. Throughout this chapter, the revised law
25 substitutes "impose" for "levy," "assess," "cause to
26 be collected," and similar terms and phrases because
27 "impose" is the term generally used in Title 1, Tax
28 Code, and includes the assessment, levying, and
29 collection of a tax.

30 (3) Section 14, Chapter 187, Acts of the 61st
31 Legislature, Regular Session, 1969, provides for the
32 imposition of a tax for maintenance and operations if
33 the tax is authorized by a majority of the voters
34 voting at an election held for that purpose. The
35 revised law omits that provision because it
36 duplicates, in substance, Section 49.107, Water Code.
37 Section 14 also refers to the "qualified voters and

electors of said district who own taxable property within said district and who have duly rendered the same for taxation." The revised law omits the quoted language because Chapter 11, Election Code, governs eligibility to vote in this state and allows only "qualified" voters to vote in an election, and, in Hill v. Stone, 421 U.S. 289 (1975), the United States Supreme Court determined that property ownership as a qualification for voting is an unconstitutional denial of equal protection. The omitted law reads:

Sec. 14. . . . [the board of directors may levy . . . an annual ad valorem tax] . . . provided, that the proposition of levying such tax shall be first submitted to the qualified voters and electors of said district who own taxable property within said district and who have duly rendered the same for taxation, at an election called and held for such purpose, and said proposition shall have been favored by a majority vote of those voting at such election. . . .

(4) Section 14, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides that an election shall be held as provided by "Section 2 hereof." The relevant provisions of Section 2, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, are revised as Section 6610.202. For the reader's convenience, the revised law substitutes a reference to Section 6610.202 for the quoted language.

Revised Law

Sec. 6610.202. ELECTION FOR MAINTENANCE AND OPERATION TAX.

(a) The order calling an election under Section 6610.201 must specify:

- (1) the date of the election;
- (2) the location of the voting places; and
- (3) the presiding judge for each voting place.

(b) Notice of the election must be given by publishing a

1 substantial copy of the order calling the election in a newspaper of
2 general circulation in San Patricio County. The notice must be
3 published once each week for two consecutive weeks. The first
4 publication must be at least 14 days before the date of the
5 election.

6 (c) In addition to the requirements of the Election Code,
7 the ballots for an election for the imposition of a maintenance and
8 operation tax must have printed on them "For Maintenance tax" and
9 the contrary of that proposition.

10 (d) The failure of an election does not prohibit subsequent
11 elections for the same purpose. (Acts 61st Leg., R.S., Ch. 187,
12 Secs. 2 (part), 14 (part).)

13 Source Law

14 Sec. 2. . . . The order calling the election
15 shall specify the date and place or places of holding
16 same and the presiding judge for each voting place.
17 Notice of said election shall be given by publishing a
18 substantial copy of the election order in a newspaper
19 of general circulation in San Patricio County once a
20 week for two consecutive weeks, the first publication
21 to appear at least 14 days prior to the date set for the
22 election. The failure of any such election shall not
23 operate to prohibit the calling and holding of
24 subsequent elections for the same purposes.

25 Sec. 14. . . . [the proposition of levying such
26 tax shall be first submitted to the . . . voters . . .
27 at an election called and held for such purpose] . . .
28 In addition to the requirements of the Texas Election
29 Code, the ballot for such election or elections shall
30 have printed thereon "For Maintenance tax" and the
31 contrary thereof. [Subsequent elections may be ordered
32 and held for the purpose of increasing . . . reducing
33 or abating such tax.] Notice of such election and [the
34 manner of holding same shall be as provided in Section
35 2 hereof.] Maintenance taxes and bonds may be
36 authorized at the same election or elections. . . .

37 Revisor's Note

38 (1) Section 14, Chapter 187, Acts of the 61st
39 Legislature, Regular Session, 1969, provides that
40 "[m]aintenance taxes and bonds may be authorized at
41 the same election or elections." The revised law omits
42 that provision because it duplicates, in substance,
43 Section 49.107(c), Water Code, which provides that an
44 operation and maintenance tax election may be held at

1 the same time as any other district election.

2 (2) Section 14, Chapter 187, Acts of the 61st
3 Legislature, Regular Session, 1969, provides that the
4 Election Code applies to an election under that
5 section except as otherwise provided by that section.
6 The revised law omits the reference to the Election
7 Code because Section 1.002, Election Code, provides
8 that the Election Code applies to all elections held in
9 this state. An exception to the application of the
10 Election Code would apply by its own terms. The
11 omitted law reads:

12 Sec. 14. . . . Such election shall be
13 held in accordance with the Texas Election
14 Code, except as provided herein.

15 Revised Law

16 Sec. 6610.203. TAX ASSESSOR-COLLECTOR. The San Patricio
17 County tax assessor-collector shall assess and collect taxes
18 imposed by the board. (Acts 61st Leg., R.S., Ch. 187, Sec. 15
19 (part).)

20 Source Law

21 Sec. 15. . . . the County Tax
22 Assessor-Collector of San Patricio County, Texas, is
23 hereby named and appointed tax assessor-collector for
24 the district, and . . . taxes which said board has
25 levied [for bond and maintenance purposes, and] it
26 shall be the duty of said tax assessor-collector to
27 cause said taxes to be assessed and collected. . . .

28 Revisor's Note

29 Section 15, Chapter 187, Acts of the 61st
30 Legislature, Regular Session, 1969, provides that the
31 San Patricio County tax assessor-collector is "hereby
32 named and appointed" tax assessor-collector for the
33 district. The revised law omits the quoted language as
34 executed.

35 Revised Law

36 Sec. 6610.204. CERTIFICATION OF TAX RATE. Each year, the
37 board shall certify to the San Patricio County tax
38 assessor-collector the rate or rates of tax that the board has

1 imposed for bond and maintenance purposes. (Acts 61st Leg., R.S.,
2 Ch. 187, Sec. 15 (part).)

3 Source Law

4 Sec. 15. . . . The board of directors each year
5 shall certify to the County Tax Assessor-Collector of
6 San Patricio County the rate or rates of taxes [which
7 said board has levied] for bond and maintenance
8 purposes, and

9 Revisor's Note
10 (End of Subchapter)

11 (1) Section 15, Chapter 187, Acts of the 61st
12 Legislature, Regular Session, 1969, provides that the
13 assessed valuation of taxable property for district
14 purposes shall be the same as that for county purposes.
15 The revised law omits that provision because it
16 duplicates Section 18(b), Article VIII, Texas
17 Constitution, and Section 6.01, Tax Code. Section
18 18(b) requires the legislature by general law to
19 provide for a single appraisal in each county of all
20 property subject to ad valorem taxation by the county
21 and all other taxing units located in the county.
22 Section 6.01 establishes an appraisal district to
23 appraise property in each county and requires each
24 taxing unit that imposes ad valorem taxes on property
25 in the appraisal district to use that appraisal.
26 Section 6.01, Tax Code, applies to the district under
27 Section 1.02, Tax Code. The omitted law reads:

28 Sec. 15. The assessed valuations of
29 taxable properties for district purposes
30 shall be the same as that for county
31 purposes, and

32 (2) Section 15, Chapter 187, Acts of the 61st
33 Legislature, Regular Session, 1969, provides that the
34 Board of Equalization of San Patricio County is the
35 board of equalization for the district. The revised
36 law omits the references to a board of equalization
37 because boards of equalization were abolished and
38 their functions and duties transferred to appraisal

1 review boards by the 1979 enactment of the Property Tax
2 Code, Title 1, Tax Code (Section 1, Chapter 841, Acts
3 of the 66th Legislature, Regular Session). The
4 omitted law reads:

5 Sec. 15. . . . the Board of
6 Equalization of San Patricio County, Texas,
7 is hereby named, constituted and appointed
8 the board of equalization for such
9 district. . . .

10 (3) Section 15, Chapter 187, Acts of the 61st
11 Legislature, Regular Session, 1969, provides that the
12 state laws relating to the assessment and collection
13 of county taxes apply to the assessment and collection
14 of district taxes and authorizes the county tax
15 assessor-collector to include the amount of the
16 district tax on the annual county tax statements. The
17 revised law omits those provisions as repealed by
18 Chapter 841, Acts of the 66th Legislature, Regular
19 Session, 1979, enacting Title 1, Tax Code, a
20 comprehensive, substantive codification of the laws
21 governing the administration of ad valorem taxes, and
22 repealing all other general, local, and special laws
23 in conflict with that act, and as superseded by Section
24 1.02, Tax Code, which provides for the applicability
25 of Title 1, Tax Code, to all taxing units in this
26 state, including the district. The omitted law reads:

27 Sec. 15. . . . All laws of the State
28 of Texas relating to the assessing and
29 collecting of county taxes are by this Act
30 made available for, and shall be applied to,
31 the assessing of current taxes and to the
32 collection of both current and delinquent
33 taxes of the district. The amount of the
34 annual district tax may be included on the
35 annual county tax statements. . . .

36 (4) Section 15, Chapter 187, Acts of the 61st
37 Legislature, Regular Session, 1969, provides that the
38 county tax assessor-collector shall be paid a fee for
39 the assessment and collection of district taxes. The
40 revised law omits that provision for the reason stated

1 in Revisor's Note (3) to the end of this subchapter.
2 Section 6.27(b), Tax Code, provides for the
3 compensation of a county tax assessor-collector
4 assessing and collecting taxes for another taxing
5 unit. The omitted law reads:

6 Sec. 15. . . . The county tax
7 assessor-collector is entitled to receive
8 for assessing and collecting taxes of the
9 district the amount provided in Articles
10 3937 and 3939, Revised Civil Statutes of
11 Texas, 1925, as amended, for assessing and
12 collecting taxes for other water districts.

13 SUBCHAPTER F. BONDS

14 Revised Law

15 Sec. 6610.251. AUTHORITY TO ISSUE BONDS; TAXES FOR BONDS.

16 (a) The board may issue district bonds to acquire money to
17 accomplish any district purpose or carry out any power granted
18 under this chapter to the district.

19 (b) The board may impose continuing direct annual ad valorem
20 taxes on all taxable property in the district sufficient to:

21 (1) provide for the payment of the interest on the
22 bonds as the interest accrues; and

23 (2) create and provide for a sinking fund to pay the
24 principal of the bonds as the principal matures. (Acts 61st Leg.,
25 R.S., Ch. 187, Sec. 11 (part).)

26 Source Law

27 Sec. 11. The board of directors shall be
28 authorized from time to time, to issue the bonds of the
29 district for the purpose of acquiring funds with which
30 to accomplish and carry out any one or more of the
31 powers and purposes herein granted to the district,
32 and to provide for the payment of interest on said
33 bonds as it accrues and to create and provide a sinking
34 fund for the payment of the principal of said bonds as
35 it matures, by levying and causing to be assessed and
36 collected continuing direct annual ad valorem taxes on
37 all taxable property within the district sufficient
38 for such purposes. . . .

39 Revisor's Note

40 (1) Section 11, Chapter 187, Acts of the 61st
41 Legislature, Regular Session, 1969, authorizes the
42 board of directors to issue district bonds "from time

1 to time." The revised law omits "from time to time"
2 because the power to issue bonds implies the power to
3 do so at any time.

4 (2) Section 11, Chapter 187, Acts of the 61st
5 Legislature, Regular Session, 1969, refers to the
6 district's "funds." The revised law substitutes
7 "money" for "funds" for the reason stated in the
8 revisor's note to Section 6610.154.

9 Revised Law

10 Sec. 6610.252. FORM OF BONDS. District bonds and any
11 interest coupons appurtenant to the bonds must be signed and
12 executed as provided by the board in the order authorizing the
13 issuance of the bonds. (Acts 61st Leg., R.S., Ch. 187, Sec. 11
14 (part).)

15 Source Law

16 Sec. 11. . . . [bonds of the district] . . .
17 Said bonds and interest coupons, if any, appertaining
18 thereto . . . shall be executed, and . . . shall be
19 signed and executed, as provided by said board in the
20 order authorizing their issuance. . . .

21 Revised Law

22 Sec. 6610.253. MATURITY. District bonds must mature not
23 later than 40 years after their date of issuance. (Acts 61st Leg.,
24 R.S., Ch. 187, Sec. 11 (part).)

25 Source Law

26 Sec. 11. . . . [bonds of the district] . . .
27 Said bonds shall mature serially or otherwise not more
28 than 40 years from their date or dates and . . . all as
29 shall be determined by the district's board of
30 directors. . . .

31 Revisor's Note

32 Section 11, Chapter 187, Acts of the 61st
33 Legislature, Regular Session, 1969, provides that
34 district bonds shall mature "serially or otherwise
35 . . . all as shall be determined by the district's
36 board of directors." The revised law omits the quoted
37 language because it is superseded by Section 1201.021,
38 Government Code (enacted as Section 3, Bond Procedures

1 Act of 1981 (Article 717k-6, Vernon's Texas Civil
2 Statutes)), which provides that the governing body of
3 an issuer may determine the time of payment of public
4 securities it issues, and by Section 1201.022,
5 Government Code (enacted as Section 5(a), Bond
6 Procedures Act of 1981 (Article 717k-6, Vernon's Texas
7 Civil Statutes)), which provides that a public
8 security may be issued with specified characteristics,
9 on specified terms, or in a specified manner. Sections
10 1201.021 and 1201.022 apply to district bonds under
11 Sections 1201.002 and 1201.003, Government Code.

12 Revised Law

13 Sec. 6610.254. ELECTION REQUIRED. (a) Bonds, other than
14 refunding bonds, may not be issued under Section 6610.251 unless
15 first authorized by a majority of the voters voting at an election
16 held to determine whether the bonds should be issued and whether a
17 tax should be imposed to pay the principal of and interest on the
18 bonds.

19 (b) If a majority of the voters voting at a district bond
20 election vote in favor of the issuance of bonds and the imposition
21 of taxes, the board may:

22 (1) issue, sell, and deliver the bonds;

23 (2) receive and use the proceeds for district
24 purposes; and

25 (3) impose taxes on all taxable property in the
26 district sufficient to pay the interest on and principal of the
27 bonds.

28 (c) Notice of the election shall be given in the manner
29 provided by Section 6610.202.

30 (d) In addition to the requirements of the Election Code,
31 the ballots must have printed on them "For the bonds and levy of
32 taxes in payment thereof" and the contrary of that proposition.

33 (Acts 61st Leg., R.S., Ch. 187, Sec. 11 (part); New.)

Source Law

Sec. 11. [The board of directors shall be authorized . . . to issue the bonds of the district] . . . No such bonds (except refunding bonds) shall be issued until they have first been authorized by a majority vote of the voters qualified to vote on bond issues under the Constitution of Texas, voting at an election called and held for the purpose of determining whether or not said bonds shall be issued and whether or not taxes shall be levied to pay the principal of and interest on such bonds. If a majority of the qualified voters voting at such election shall vote in favor of the issuance of bonds and the levy of taxes, the board of directors shall be authorized to issue, sell and deliver said bonds and to receive and use the proceeds for the aforesaid purposes, and to levy and cause to be assessed and collected taxes upon all taxable property within the district sufficient to pay the interest on and principal of said bonds. Notice of such election shall be given as provided in Section 2 hereof. In addition to the requirements of the Texas Election Code, the ballots for such election shall have printed thereon "For the bonds and levy of taxes in payment thereof," and the contrary thereof. . . .

Revisor's Note

(1) Section 11, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, refers to a majority vote of the voters "qualified to vote on bond issues under the Constitution of Texas" and to a majority of the "qualified voters" voting at an election. The revised law omits the quoted language for the reason stated in Revisor's Note (3) to Section 6610.201.

(2) Section 11, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, refers to an "election called and held" for the purpose of authorizing the issuance of bonds. The revised law omits "called" because under Chapter 3, Election Code, all elections must be ordered (called) before they may be held.

(3) Section 11, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides that notice of a bond election "shall be given as provided in Section 2 hereof." The revised law substitutes a reference to Section 6610.202 because the relevant

provisions of Section 2 are revised in that section of this chapter.

(4) Section 11, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides that a bond election shall be held in accordance with the Texas Election Code, except as otherwise provided by the act. The revised law omits that provision for the reason stated in Revisor's Note (2) to Section 6610.202. The omitted law reads:

Sec. 11. . . . Said election shall be held in accordance with the Texas Election Code, except as provided herein.

Revised Law

Sec. 6610.255. USE OF BOND PROCEEDS. (a) The board may appropriate or set aside out of proceeds from the sale of district bonds an amount for:

(1) the payment of interest expected to accrue during the period of construction of improvements or facilities; and

(2) the payment of all expenses incurred and to be incurred in the issuance, sale, and delivery of the bonds.

(b) For purposes of this section, the period of construction may not exceed three years. (Acts 61st Leg., R.S., Ch. 187, Sec. 13(a).)

Source Law

Sec. 13. (a) From the proceeds of sale of any bonds, the board may appropriate or set aside out of the bond proceeds, an amount for the payment of interest expected to accrue during the period of construction of improvements or facilities, such period not to exceed three years, and an amount necessary to pay all expenses incurred and to be incurred in the issuance, sale and delivery of the bonds.

Revisor's Note
(End of Subchapter)

(1) Section 11, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides that district bonds may be issued in various series or issues. The revised law omits that provision because

1 it duplicates, in substance, a provision of Section
2 1201.022, Government Code, which applies to district
3 bonds under Sections 1201.002 and 1201.003, Government
4 Code. The omitted law reads:

5 Sec. 11. . . . Said bonds may be
6 issued in various series or issues. . . .

7 (2) Sections 11 and 12, Chapter 187, Acts of the
8 61st Legislature, Regular Session, 1969, provide that
9 district bonds and refunding bonds, respectively,
10 shall bear interest at any rate determined by the board
11 that does not exceed six and a half percent per year.
12 Section 12 also provides that district refunding bonds
13 may not bear interest at a rate higher than the voted
14 maximum rate of the bonds being refunded. The revised
15 law omits those provisions because they are superseded
16 by other law. Chapter 3, Acts of the 61st Legislature,
17 Regular Session, 1969 (Article 717k-2, Vernon's Texas
18 Civil Statutes), now Chapter 1204, Government Code,
19 established a maximum interest rate for public
20 securities. Section 1204.006, Government Code,
21 reflecting the 1981 amendment of Article 717k-2 by
22 Section 1, Chapter 61, Acts of the 67th Legislature,
23 Regular Session, 1981, permits a public agency to
24 issue public securities at any net effective interest
25 rate of 15 percent or less as determined by the
26 governing body. Section 1204.006, Government Code,
27 applies to district bonds under Sections 1204.001 and
28 1204.002, Government Code. The omitted law reads:

29 Sec. 11. . . . [Said bonds] . . .
30 shall bear interest at any rate or rates,
31 not to exceed six and one half percent per
32 annum, [all as shall be determined by the
33 district's board of directors.] . . .

34 Sec. 12. . . . Said refunding bonds
35 . . . shall bear interest at any rate or
36 rates, not to exceed six and one half
37 percent per annum, all as shall be
38 determined by said board. Said refunding
39 bonds shall not bear interest at a rate or
40 rates higher than the voted maximum rate on

the bonds being refunded. . . .

(3) Sections 11 and 12, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provide that district bonds and refunding bonds, respectively, and their interest coupons are negotiable instruments. The revised law omits those provisions because Section 1201.041, Government Code, provides that a public security is a negotiable instrument. Section 1201.041 applies to all district bonds under Sections 1201.002 and 1201.003, Government Code. The omitted law reads:

Sec. 11. . . . [Said bonds and interest coupons, if any, appertaining thereto] shall be negotiable instruments and

Sec. 12. . . . Refunding bonds and the interest coupons appurtenant thereto, shall be negotiable instruments and

(4) Section 11, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides that district bonds and interest coupons may be registered as to principal and interest. The revised law omits that provision because it duplicates, in substance, Section 1201.024, Government Code, which applies to district bonds under Sections 1201.002 and 1201.003, Government Code. The omitted law reads:

Sec. 11. . . . [Said bonds and interest coupons] . . . may be issued registrable as to principal and interest and

(5) Section 11, Chapter 187, Acts of the 61st Legislature, Regular Session, 1969, provides that district bonds and interest coupons may be redeemed before maturity. The revised law omits that provision because it duplicates, in substance, Section 1201.021(4), Government Code, which applies to district bonds under Sections 1201.002 and 1201.003, Government Code. The omitted law reads:

Sec. 11. . . . [Said bonds and interest coupons] . . . may be made redeemable prior to maturity, and

1 (6) Section 11, Chapter 187, Acts of the 61st
2 Legislature, Regular Session, 1969, provides that
3 district bonds and interest coupons may be issued in
4 "such form, denominations and manner and under such
5 terms, conditions and details" as provided by the
6 board. The revised law omits that provision because it
7 duplicates general law applicable to the district.
8 Section 1201.024, Government Code, provides that an
9 issuer may specify the form of the bond that it issues.
10 Section 1201.021, Government Code, provides that the
11 governing body of an issuer may issue bonds in any
12 denomination. Section 1201.022, Government Code,
13 provides that a governmental entity may specify the
14 terms under which a bond is issued. "Conditions" and
15 "details" are included in the meaning of "terms."
16 Sections 1201.021, 1201.022, and 1201.024, Government
17 Code, apply to district bonds under Sections 1201.002
18 and 1201.003, Government Code. The omitted law reads:

19 Sec. 11. . . . [Said bonds and
20 interest coupons] . . . may be issued in
21 such form, denominations and manner and
22 under such terms, conditions and details,
23 and . . . [as provided by said board in the
24 order authorizing their issuance.] . . .

25 (7) Section 12, Chapter 187, Acts of the 61st
26 Legislature, Regular Session, 1969, requires the
27 district to submit bonds, including refunding bonds,
28 issued by the district to the attorney general for
29 examination and approval. The revised law omits those
30 provisions because they duplicate, in substance, parts
31 of Section 1202.003, Government Code, which applies to
32 the issuance of district bonds under Section 1202.001,
33 Government Code, and requires compliance with Chapter
34 1202, Government Code. The omitted law reads:

35 Sec. 12. All bonds issued by said
36 district shall be submitted to the Attorney
37 General of the State of Texas for
38 examination. If he finds that such bonds

1 have been authorized in accordance with
2 law, he shall approve them, and
3 Such refunding bonds, and the appropriate
4 proceedings relating thereto, shall be
5 submitted to the Attorney General of Texas
6 for examination. If he finds that such bonds
7 have been authorized in accordance with
8 law, he shall approve them and

9 (8) Section 12, Chapter 187, Acts of the 61st
10 Legislature, Regular Session, 1969, provides that
11 after approval, district bonds, including refunding
12 bonds, shall be registered by the comptroller. The
13 revised law omits those provisions as superseded by
14 Section 1202.005, Government Code (enacted in 1987 as
15 Section 3.002(c), Chapter 53, Acts of the 70th
16 Legislature, 2nd Called Session). Section 1202.005,
17 Government Code, applies to district bonds under
18 Sections 1202.001 and 1202.003, Government Code. The
19 omitted law reads:

20 Sec. 12. . . . [If he finds that such
21 bonds have been authorized in accordance
22 with law, he shall approve them, and]
23 thereupon they shall be registered by the
24 Comptroller of Public Accounts of the State
25 of Texas. . . . [refunding bonds . . .
26 shall be submitted to the Attorney General
27 If he finds that such bonds have
28 been authorized in accordance with law, he
29 shall approve them and] thereupon they
30 shall be registered by the Comptroller of
31 Public Accounts of the State of
32 Texas. . . .

33 (9) Section 12, Chapter 187, Acts of the 61st
34 Legislature, Regular Session, 1969, provides that
35 after approval and registration, district bonds,
36 including refunding bonds, are incontestable for any
37 reason. The revised law omits those provisions
38 because they duplicate, in substance, Section
39 1202.006, Government Code. Section 1202.006,
40 Government Code, applies to district bonds under
41 Sections 1202.001 and 1202.003, Government Code. The
42 omitted law reads:

43 Sec. 12. . . . After such approval
44 and registration such bonds shall be
45 incontestable in any court or other forum

1 for any reason, and shall be valid and
2 binding obligations in accordance with
3 their terms for all purposes. . . .
4 [refunding bonds . . . shall be registered]
5 After such approval and
6 registration such bonds shall be
7 incontestable in any court, or other forum,
8 for any reason, and shall be valid and
9 binding obligations in accordance with
10 their terms for all purposes.

11 (10) Section 12, Chapter 187, Acts of the 61st
12 Legislature, Regular Session, 1969, authorizes the
13 district to issue refunding bonds that mature serially
14 or otherwise to refund or refinance bonds issued by the
15 district, provides procedures applicable to refunding
16 bonds, and provides that refunding bonds shall be
17 issued as determined by the board. The revised law
18 omits the provisions authorizing the district to issue
19 refunding bonds, specifying the procedures applicable
20 to refunding bonds, and requiring that refunding bonds
21 be issued as determined by the board because they
22 duplicate, in substance, provisions of Chapter 1207,
23 Government Code, which provide general authority for
24 an issuer, including the district, to issue refunding
25 bonds, prescribe procedures applicable to those
26 refunding bonds, and provide that the issue of
27 refunding bonds is conducted by the governing body of
28 the issuer. Chapter 1207 applies to the district by
29 application of Section 1207.001, Government Code. The
30 revised law omits the provision specifying that the
31 bonds shall mature serially or otherwise for the
32 reason stated in the revisor's note to Section
33 6610.253. The omitted law reads:

34 Sec. 12. . . . Said board shall also
35 be authorized to refund or refinance all or
36 any part of its outstanding bonds and
37 matured but unpaid interest by the issuance
38 of refunding bonds. [Said refunding bonds]
39 shall mature serially or otherwise not more
40 than 40 years from their date, and . . .
41 [all as shall be determined by said board.
42 . . . Refunding bonds and . . . interest
43 coupons] . . . shall be issued as provided
44 in Section 11. Refunding bonds shall be

1 issued in lieu of, and upon surrender to the
2 Comptroller of Public Accounts of the State
3 of Texas, and cancellation of, the
4 obligations being refunded thereby, and the
5 comptroller of public accounts shall
6 register the refunding bonds and deliver
7 the same in accordance with the provisions
8 of the order authorizing refunding bonds.
9 Such refunding may be accomplished in one or
10 in several installment deliveries. . . .

11 (11) Section 13(b), Chapter 187, Acts of the
12 61st Legislature, Regular Session, 1969, lists the
13 entities for which district bonds are legal and
14 authorized investments and provides that district
15 bonds may secure deposits of public funds of the state
16 or political subdivisions. The revised law omits
17 those provisions because they duplicate, in substance,
18 Section 49.186, Water Code. While Section 13(b) lists
19 "guardians" and Section 49.186, Water Code, does not,
20 Section 49.186(a) includes "fiduciaries," and a
21 guardian is a fiduciary. The omitted law reads:

22 (b) All bonds issued by said district
23 shall be legal and authorized investments
24 for all banks, trust companies, building
25 and loan associations, savings and loan
26 associations, insurance companies of all
27 kinds and types, fiduciaries, trustees,
28 guardians, and for all interest and sinking
29 funds and other public funds of the State of
30 Texas, and all agencies, subdivisions, and
31 instrumentalities thereof, including all
32 counties, cities, towns, villages, school
33 districts, and all other kinds and types of
34 districts, public agencies and bodies
35 politic. Said bonds shall also be eligible
36 and lawful security for all deposits of
37 public funds of the State of Texas, and all
38 agencies, subdivisions and
39 instrumentalities thereof, including all
40 counties, cities, towns, villages, school
41 districts, and all other kinds and types of
42 districts, public agencies, and bodies
43 politic to the extent of the market value of
44 said bonds, when accompanied by any
45 unmatured interest coupons appurtenant
46 thereto.

47 Revisor's Note
48 (End of Chapter)

49 (1) Section 18, Chapter 187, Acts of the 61st
50 Legislature, Regular Session, 1969, contains
51 legislative findings relating to the performance of

1 the requirements of Section 59(d), Article XVI, Texas
2 Constitution, and to the authority of the legislature
3 to enact that chapter. The revised law omits the
4 provision as executed. The omitted law reads:

5 Sec. 18. The Legislature
6 specifically finds and declares that the
7 requirements of Article XVI, Section 59(d),
8 Constitution of Texas, have been met and
9 accomplished in due course and time, and in
10 due order, and that the Legislature has the
11 power and authority to enact this Act.

12 (2) Section 19, Chapter 187, Acts of the 61st
13 Legislature, Regular Session, 1969, provides that the
14 provisions of the act are severable. The revised law
15 omits that provision because the same result is
16 produced by the application of Section 311.032(c),
17 Government Code (Code Construction Act), which
18 provides that a provision of a statute is severable
19 from each other provision of the statute that can be
20 given effect. The omitted law reads:

21 Sec. 19. If any section, paragraph,
22 sentence, clause, phrase or word or other
23 part of this Act or the application thereof
24 to any person or circumstance shall be held
25 to be invalid or unconstitutional, the same
26 shall not affect any other section,
27 paragraph, sentence, clause, phrase, word,
28 or other part hereof or the application
29 thereof to other persons or circumstances.